



# NEWS RELEASE

**From State Senator Bill Morrisette and State Rep. Jackie Dingfelder**

*For immediate release, 2/2/07*

## **Beer bill would raise \$60 million annually for addiction prevention, treatment and enforcement**

A bill that would provide more than \$60 million a year for a three-pronged attack on alcohol and drug addiction has been introduced in the Oregon Legislature by Senator Bill Morrisette and Representative Jackie Dingfelder.

The money would finance a wide range of prevention, treatment and law enforcement programs, including treatment for thousands of addicted Oregonians. More than \$25 million of the sum would be sent annually to counties to bolster their prevention and treatment programs that have been decimated by budget cuts in recent years and which are threatened with further cuts because of loss of federal timber revenues.

The money would come from the equivalent of a dime-a-drink "malt beverage cost recovery fee" on beer sold in Oregon by large breweries such as Anheuser-Busch and Coors. The products of small manufacturers, including all Oregon breweries, would be exempt.

"Most Oregonians support an increase in Oregon's beer tax," said Dingfelder, a Portland Democrat, referring to polling on the question. "They know it's been 30 years since we've adjusted the amount and agree that this proposal is long overdue."

Oregon's current beer tax of less than a penny a drink is the lowest effective beer tax among the 50 states. While it hasn't been raised in 30 years, big beer manufacturers have steadily increased both their prices and profits during that same period.

"We're trying to attack the addiction cost shift," said Morrisette, a Springfield Democrat whose district also covers parts of Eugene and Lane and Linn counties. "The costs of abuse and addiction – everything from emergency room care to jails and prisons and broken homes – are now shifted to all Oregonians in income and property taxes and higher insurance costs."

One study estimates that the costs of alcohol abuse and alcoholism alone amount to \$683 annually for every Oregon resident.

And the cost of alcohol-related problems to cities and counties far exceeds what they now receive as their share of Oregon Liquor Control Commission revenues, according to a 2006 city/county working group report to the Legislature in 2006. Such costs amount to four to 10 times as much as their share of the OLCC funds, several county administrators said.

So, in addition to the treatment and prevention funds, HB 2535 would provide more than \$8.4 million annually to cities and counties for law enforcement related to addiction and mental health problems.

And more than \$4.2 million annually would go to a statewide addiction prevention program. Expansion of drug courts and drug-free housing would receive some \$8.4 million annually.

“The bill gets at the vicious circle of addiction,” Morrisette said. “Every dollar spent on prevention -- keeping people, especially young people, from starting down the road to addiction -- can save many dollars spent on treatment. Every dollar spent on treatment – getting addicted Oregonians off booze or drugs -- can save many dollars spent on law enforcement, not to mention preventing broken homes and child abuse. Every dollar spent on law enforcement can save many dollars lost to crime and accidents – and save lives”

The concept of the bill already has the support of the Governor’s Meth Task Force, the Oregon Alliance for Drug Endangered Children , the Oregon Medical Association Amphetamine Task Force, and the League of Oregon Cities. More endorsements are expected.

Dingfelder and Morrisette have introduced malt beverage cost recovery fee bills in two previous sessions. But the Republican leadership of the House in both sessions wouldn’t even allow the bills to get a committee hearing.

Now, with Democrats in control, the two legislators believe HB 2535 will get fair consideration – and, they hope, bi-partisan support. Because it’s a revenue-raising bill, it must pass both the House and Senate by a three-fifths majority – 36 votes in the House and 18 in the Senate.

Morrisette and Dingfelder are also co-sponsors of SB 502, which would repeal Oregon statutes that favor beer distributors over brewers and retailers. “It’s time to get rid of the distributor sweetheart laws and to level the playing field among the three groups,” Morrisette said.

---

---

*For additional information, contact Don Bishoff, Legislative Assistant to Senator Morrisette, 503-986-1108 or cell 541-953-7610, e-mail [Don.bishoff@state.or.us](mailto:Don.bishoff@state.or.us).*